EXHIBIT A

Exhibit A

CalFirst
California First Leasing Corporation
A Subsidiary of California First National Bancorp

January 14, 2005

Tom Pellegrino
Chief Financial Officer
Pellegrino Food Products
100 Lookout St
Warren, PA 16365-1630

Dear Tom:

California First Leasing Corporation is very pleased to submit the following proposal for your review. We look forward to beginning our relationship with Pellegrino Food Products.

LESSEE:	Pellegrino Food Products
LESSOR:	California First Leasing Corporation
LEASED PROPERTY:	Packaging & Labeling Equipment
PROPERTY COST/LOCATION:	$175,000 Warren, PA
ANTICIPATED DELIVERY DATE:	January-April, 2005
BASE LEASE TERM:	24months
MONTHLY RENTAL PAYMENT:	[illegible]
Lease Rate Fator:	0.04415
DEPOSIT:	$7,726. The deposit remitted with this offer shall be returned to Lessee (without interest thereon) if Lessor does not accept this lease transaction.
END OF TERM PURCHASE OPTION:	Purchase the Property for $1.00
NET LEASE:	This is a net lease transaction whereby insurance, maintenance and taxes are the Lessee's responsibility. Any manufacturer's warranty obtained by Lessor regarding the Property will be passed on to the Lessee.
GUARANTORS:	As required by Lessor's Finance Committee.
DOCUMENTATION:	All paperwork pertaining to this lease transaction will be Lessor's standard Lease Agreement, Schedule(s) and supporting documents.

OFFER ONLY: This offer is subject to the review and acceptance of Lessor's Finance Committee. The monthly rent payment specified above is based upon an equally maturing U.S. Treasury Note index of 3.12%. In the event this index rate increases prior to funding, the payment may be adjusted to reflect this change.

EXPIRATION DATE: 01/10/2005

Should this proposal meet your requirements, please sign below and return with the deposit check in the amount specified above. Although I will be in contact, please don't hesitate to call me at 800-496-4640 ext. 391 or e-mail me at rmitchell@CalFirstLease.com.

Sincerely,

Rah-miel Mitchell
Account Executive

Mike Curtis
VicePresident
California First Leasing Corporation

Acknowledged and agreed to by:

Pellegrino Food Products

Name: Tom Pell[illegible]

Title: Pres.

Date: 1-18-05

CalFirst Leasing is a wholly-owned subsidiary of California First National Bancorp ("CFNB"), and is an affiliate of California First National Bank, an FDIC-insured National Bank. CFNB is a public company with its stock traded on the NASDAQ National Market System under the symbol "CFNB".